

General Terms and Conditions of Purchase of SÜDWEST Lacke + Farben GmbH & Co. KG (Status: 1 August 2023)

1 General

1.1 All orders placed by SÜDWEST Lacke + Farben GmbH & Co. KG (“Südwest”) concerning the delivery of movable items that are to be manufactured or produced are subject exclusively to the following General Terms and Conditions of Purchase (“GTCP”). The latest version of these GTCP applies in each case; this is also true for any future business transactions involving the supplier.

1.2 These GTCP do not apply to contracts concerning services or works that are commissioned by Südwest and do not constitute deliveries as defined in Clause 1.1.

1.3 Any terms and conditions of the supplier that deviate from or are not included in these GTCP will not be recognised, unless Südwest has expressly agreed to them in text form. Any counter-confirmations by the supplier with reference to its own terms and conditions of business or delivery are hereby rejected.

1.4 Any deviations from or additions to these GTCP by the supplier will only take effect with express confirmation by Südwest in text form (for example, by fax, email, or EDI, or in writing); they will only apply to the business transaction for which they have been agreed in that specific case.

1.5 If Südwest and the supplier agree on arrangements that deviate from individual provisions of these GTCP, the validity of the remaining provisions of these GTCP will remain unaffected.

1.6 Otherwise, the supplier’s execution of the order will be considered recognition of these GTCP.

1.7 If any special delivery specifications/requirements stipulated by Südwest are also incorporated into the contract, these will take priority over these GTCP and the GTCP will apply as an addition to the special delivery specifications/requirements stipulated by Südwest. In particular, quality agreements are also considered an integral part of the contract.

2 Compliance in the supply chain

2.1 Südwest is a member of the Sto Group. Sto’s supplier code of conduct, which can be accessed at www.sto.de or sent free of charge by Südwest on request, is an integral part of the contract and applies accordingly. The supplier undertakes to comply with the specifications in the supplier code of conduct. Furthermore, the supplier undertakes to observe all applicable bans relating to human rights and the environment in accordance with Section 2(2) and (3) of the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG) (hereinafter referred to as the following together with the supplier code of conduct: “**Human Rights Requirements**”).

2.2 The supplier must obligate its subcontractors to uphold the Human Rights Requirements and to take reasonable steps to monitor whether these requirements are being implemented and upheld. Within this scope, the supplier is also entitled to apply its own supplier code of conduct to its suppliers, provided that this includes and covers the Human Rights Requirements.

2.3 At Südwest’s request, the supplier shall provide Südwest with the information required to identify any human rights-related or environmental risks (hereinafter referred to as “**Risks**”) in the business relationship with the supplier. The supplier undertakes to notify Südwest without delay of any Risks identified or any violations of the Human Rights Requirements within the company’s area of business and within its subcontractors’ areas of business. The supplier must provide evidence of any such Risks or violations in a suitable format at Südwest’s request.

2.4 If Südwest offers training on compliance in the supply chain in accordance with the LkSG, the supplier undertakes to participate in this training at Südwest’s request unless it can prove that, within its own company, it already conducts adequate training on compliance with the Human Rights Requirements.

2.5 Südwest is entitled to review compliance with the Human Rights Requirements by performing regular

audits with 2 weeks' advance notice and, in cases where violations of the Human Rights Requirements are suspected, by performing audits without advance notice. Audits can be performed during regular business hours, with the applicable data protection legislation observed, by Südwest or experts who have been commissioned by Südwest and are obligated by Südwest to maintain confidentiality, assuming that they have not already been obligated to maintain confidentiality by virtue of their profession. Auditors must be granted access to the supplier's premises and to the documents required for the audit. Access does not need to be granted to the supplier's business secrets or to third-party documents that the supplier is obligated to keep confidential. The supplier must provide the auditors with credible reasons for excepting these business secrets or documents.

2.6 The right to conduct audits in accordance with Clause 2.5 above is restricted to suspicious cases where the supplier is certified according to a certification system recognised for the purposes of the LkSG and provides Südwest with the certificate unprompted when the contract is concluded or each time it is renewed.

2.7 If the supplier and/or Südwest identifies violations or imminent violations of the Human Rights Requirements within the supplier's own company or its subcontractors' companies, the supplier must immediately introduce appropriate remedial measures to prevent, stop, or minimise the scope of the violations. The supplier undertakes to end the business relationship with a subcontractor if a serious violation of the Human Rights Requirements takes place, implementing the measures developed within the concept has not remedied the situation once the period defined in the concept has elapsed, and no other mitigating means are available to the supplier.

2.8 In this respect, as soon as the supplier becomes aware of a violation of the Human Rights Requirements by its company or subcontractors, it must communicate to Südwest an appropriate remedial measures concept for ending or minimising the situation, and must also implement this concept. The concept must contain a concrete schedule. If the supplier does not fulfil this duty by an appropriate deadline set by Südwest, this represents good cause for Südwest to initiate extraordinary termination of the contractual relationship. The same applies if the supplier does not provide Südwest with evidence that the remedial measures have been successfully implemented by a reasonable deadline set by Südwest or, in the case of serious violations of the Human Rights Requirements by the supplier or its subcontractors, the remedial measures provided for in the concept do not result in the serious violations or imminent serious violations of the Human Rights Requirements coming to an end or being minimised.

2.9 If the supplier culpably breaches any of the duties outlined in Clauses 2.1 to 2.8, it shall indemnify Südwest against all claims by third parties and against any administrative fines or costs for prescribed actions and/or legal costs and other liabilities if and to the extent that these are asserted against Südwest as a result of a breach of duty.

2.10 The provisions outlined in 2.1 to 2.8 and the supplier code of conduct are not provisions designed to protect third parties; they only create obligations for the supplier and entitlements for Südwest.

3 Quotation, order, conclusion of contract

3.1 Quotations from the supplier must adhere to Südwest's stipulations in the enquiry where quality, quantity, and other stipulations for the goods to be delivered are concerned; if the supplier wishes to deviate from the enquiry, it must explicitly point out to Südwest any potential deviations of this nature in the quotation.

3.2 Only the order placed by Südwest determines the definitive scope of the delivery. Orders are only considered binding if Südwest has issued or confirmed them in text form. Cost proposals and prices listed in the order are binding.

3.3 As a rule, orders placed by Südwest must be confirmed in text form without delay once they are received, within 2 working days at the latest, specifying all the order details provided by Südwest. If Südwest does not have this confirmation within 2 working days of the order date, Südwest will no longer be bound by the order, unless otherwise agreed (through an order confirmation waiver, for example). If Südwest has expressly waived the need for an order confirmation, the order will continue to be valid.

4 Secondary duties of the supplier concerning legal compliance and indemnification duty

4.1 Within the scope of concluded contracts, the supplier must adhere to all legal requirements and specifications that apply at the supplier's registered office and at Südwest's registered office.

4.2 Both when a contract is concluded and, subsequently, once per contractual year, the supplier shall, unprompted, provide Südwest with an original copy of a long-term supplier's declaration for products with preferential originating status in accordance with the applicable statutory requirements (currently Regulation (EU) 2015/2447). If long-term supplier's declarations are being used, any changes to the originating status must be communicated to Südwest in text format unprompted. If Südwest or one of its customers receives a subsequent charge by a customs authority due to incorrect origin declarations it has made, or if Südwest or one of its customers suffers any other financial disadvantage as a result and the error is due to an incorrect origin indication on the part of the supplier, the supplier will be liable for this and must compensate Südwest for any damages incurred. This does not affect any other damage compensation claims.

4.3 If the supplier delivers products within the meaning of Article 3 of Regulation (EC) No. 1907/2006 concerning the Registration, Evaluation, Authorisation, and Restriction of Chemicals (REACH Regulation), it must ensure that it has sufficiently fulfilled its duty to communicate certain information in accordance with Article 33 of the REACH Regulation.

4.4 If the supplier is an Authorised Economic Operator (AEO) certified by the responsible customs authority or what is termed a Known Consignor approved by the German Federal Aviation Office (LBA), it is obligated to send the relevant certificates and/or approval numbers to Südwest in order to ensure security in the international supply chain.

4.5 The supplier undertakes to adhere diligently to the regulations on construction products set out in Regulation (EU) No. 305/2011 of the European Parliament and of the Council of 9 March 2011 ("CPR") and the relevant regulations for implementation in this context, and to provide Südwest with all necessary information concerning this without delay. Südwest must be notified of any deviations without delay. The same applies in the case of any inspections conducted and information provided at the supplier's premises.

If a product that falls under the CPR features the Südwest name and/or brand exclusively or, at the very least, alongside other names and/or brands, as agreed with Südwest, the supplier shall, before the first delivery of the product in question, provide Südwest with copies of the technical documentation it has created in accordance with Article 11(1) of the CPR and the technical documents in accordance with Article 11(2) of the CPR. The supplier shall store original copies of these documents in accordance with the specifications in the CPR. If Südwest requires these original copies in order to submit them to supervisory authorities or other official bodies, for example, the supplier shall provide Südwest with them on Südwest's request, or shall grant the official body permission to inspect them on site. In the event of insolvency or the supplier's business activities coming to an end in another way, the supplier shall take care to ensure that the documents are handed over to Südwest in their entirety. Additionally, Südwest is entitled to verify for itself, at the supplier's premises by prior appointment, that the CPR requirements are being adhered to in areas including production.

If applicable, the supplier shall permit Südwest to use the relevant technical documentation and the initial tests or CE certificates of conformity of the supplier to issue the CE marking and declaration of performance in accordance with Article 36(1)(c) of the CPR.

The supplier shall notify Südwest of any change that has an impact on mandated characteristics in accordance with the harmonised technical specification that applies to the product in question. The supplier shall do so at least twelve weeks in advance of the change being implemented. In such cases, Südwest shall – unprompted and in the agreed format – make available all documents that have been amended accordingly, including the previously specified technical documentation in accordance with Article 11(1) of the CPR and technical documents in accordance with Article 11(2) of the CPR, twelve weeks before the change is implemented.

The supplier shall indemnify Südwest against any claims by third parties who assert or may assert them against

Südwest on the basis of a breach of a duty imposed in this clause (4.5).

4.6 The supplier undertakes to provide Südwest with relevant evidence – in writing, where available – of compliance with the aforementioned duties at any time. This applies in particular to all self-assessments of products, test certificates, and other evidence of testing conducted by external parties as part of external monitoring, for example. This evidence must be provided without delay upon Südwest's request.

5 Secondary duties of the supplier concerning foreign trade law

5.1 The supplier undertakes to notify Südwest of any authorisation requirements concerning exports (or re-exports) of its goods in accordance with German, European, US, and other applicable export and customs regulations.

5.2 If requested, the supplier undertakes to communicate to Südwest in text form all foreign trade data on the goods and their components, and to notify Südwest in text form without delay of any changes to the data specified here.

5.3 If the aforementioned data is not communicated or is communicated incorrectly, Südwest will be entitled to withdraw from the contract.

5.4 The supplier also undertakes to perform ongoing reviews of all contractual products with regard to any import and export control restrictions, especially requirements for what are known as dual-use items (currently, these are outlined in the applicable version of Regulation (EU) No. 428/2009), and ongoing reviews of the German Foreign Trade and Payments Ordinance (AVV), and to notify Südwest in text form – without delay and unprompted – of any relevant changes.

5.5. Clause 4.6 applies mutatis mutandis.

6 Prices

6.1 All prices are fixed prices and do not include value-added tax at the applicable statutory rate; this must be calculated separately. The same applies to unit prices and flat-rate prices.

6.2 If no prices have been defined in the quotation, in the order confirmation or by agreement, the supplier must communicate its prices to Südwest in text form for confirmation before the order is executed. In the absence of an explicit agreement on prices, the price that the supplier calculated most recently for the services in question or similar services will apply within the scope of ongoing business relationships.

6.3 Unless an agreement to the contrary has been made in text form, the price includes all costs associated with delivering the items; in particular, packaging and transportation to the agreed destination, including customs, insurance, charges, taxes, and any ancillary costs (DDP for deliveries within the EU, DAP for deliveries outside the EU, in accordance with Incoterms 2020 in each case). This also applies unless a different Incoterms clause has been agreed upon.

6.4 In the case of orders from abroad, duty-paid goods must be supplied to Südwest at the agreed prices.

6.5 Südwest does not consent to price adjustment or price increase clauses, or to agreements on a list price that applies on the day of delivery (market price clauses).

7 Delivery time

7.1 The delivery periods and delivery dates specified by Südwest in the order are binding.

7.2 Delivery periods start from the date when the order is placed in correspondence from Südwest.

7.3 The delivery date is

- the date on which the goods are received at Südwest or a delivery address designated by Südwest, or
- the date of acceptance, if acceptance of the performance has been agreed or is legally required

7.4 If goods that have been delivered late are accepted without any objections, this acceptance is only a way of mitigating damages and does not represent a waiver of any claims.

7.5 If no delivery period has been agreed, performance must take place immediately, unless the circumstances dictate otherwise.

8 Delayed performance

8.1 If circumstances arise or the supplier becomes aware of circumstances in which it is clear that it will not be possible to adhere to the set delivery deadline, the supplier is obligated to notify Südwest immediately and in text form of the reason for and likely duration of the delay. This also applies to any circumstances and events for which the supplier is not responsible.

8.2 In the event of a delivery delay, Südwest is entitled to demand lump-sum compensation for the delay amounting to 0.25 % of the delivery value per day of the delay; however, this may not exceed 5 % of the gross delivery value. The right to assert any other legal claims (withdrawal from the contract and damage compensation in place of performance) remains reserved; any lump-sum compensation will be credited towards damage compensation claims. The supplier has the right to prove that no damage, or only minor damage, has occurred as a result of the delay.

8.3 Südwest does not consent to limitations of liability or any kind of exemptions for the supplier in the event of a delivery delay.

9 Force majeure

9.1 Force majeure refers to an event or circumstance that obstructs a party from fulfilling a contractual duty where and to the extent that the party affected by the obstruction (hereinafter referred to as the "Affected Party") is able to prove that (a) an obstruction of this kind is outside any reasonable control and (b) the impact of the obstruction on the Affected Party could not have been reasonably avoided or overcome. Examples of an obstruction within the meaning of (a) are wars, civil wars, uprisings, acts of terrorism, piracy, currency and trade restrictions, embargoes, sanctions, official actions and orders, expropriation, epidemics, pandemics, natural disasters, and fire, unless the unaffected party can provide evidence that these do not constitute obstructions.

9.2 If a party does not fulfil its contractual duty as a result of the failure of a third party commissioned to perform the entire contract or part of the contract (including any subcontractors), the party may only appeal to force majeure if the conditions in Clause 9.1 apply to both the contractual party and third parties.

9.3 If Clause 9.1 or 9.2 is fulfilled, the Affected Party will be released from its contractual duty and from any liability resulting from the breach of duty from the point at which the obstruction rendered the Affected Party unable to perform, and within the scope in which the obstruction is preventing performance, provided that the Affected Party notifies the other party of the circumstances without delay. If this notification is not issued without delay, the Affected Party will only be released from its contractual duty and any liability from the point at which it does notify the other party. If applicable, the other party may suspend the fulfilment of its duties from the point at which it receives notification.

9.4 If the effect created by the obstruction or event being claimed is temporary, Clause 9.3 will only apply for as long as the obstruction prevents the Affected Party from fulfilling its contractual duty. The Affected Party must

notify the other contractual party as soon as the obstruction in question is no longer present.

9.5 The Affected Party undertakes to remedy the instance of force majeure where possible and restrict its impact to the furthest possible extent.

9.6 Irrespective of this, Südwest is entitled to withdraw from the contract entirely or in part if the instance of force majeure persists for more than 4 weeks from the agreed delivery date.

10 Invoicing and terms of payment

10.1 Unless otherwise agreed, a separate, auditable invoice that complies with the applicable tax regulations must be issued for each individual delivery. The invoicing address for deliveries to Südwest Lacke + Farben GmbH & Co. KG is: Südwest Lacke + Farben GmbH & Co. KG Rechnungseingang, Ehrenbachstraße 1, 79780 Stühlingen, Germany. The supplier must send the invoice in paper format to the aforementioned address and as a PDF document to the following email address: invoice.0191@suedwest.de. A PDF document must be sent for each individual invoice in a separate email. Invoices must specify Südwest Lacke + Farben GmbH & Co. KG, Iggelheimer Straße 13, D-67459 Böhl-Iggelheim, Germany as the recipient.

10.2 Südwest is only able to process invoices from the supplier if they show the standard commercial information (in particular, the order and/or article number, the consignment number, an exact description of the goods, the delivered quantity, the dimensions, the weight, and the packaging). The supplier is responsible for any consequences resulting from a failure to fulfil this duty, unless it can prove that the failure cannot be attributed to it.

10.3 Unless otherwise agreed separately, payment is due within two weeks of receiving the goods and invoice with a 3 % discount on the invoice amount, or within 30 days of receiving the goods and invoice with no discount. If part payments have been agreed, the discount for each individual payment will be granted as long as the payment is made within two weeks.

10.4 Agreed payments that are made before the delivery is received, especially down payments and advance payments, are not due until the advance performance risk has been secured by means of a directly enforceable and indefinite bank guarantee, free from any charges for Südwest, in an amount equivalent to the advance performance.

10.5 A discount may also be applied if Südwest carries out offsetting or legitimate withholding or retention.

10.6 With each payment that Südwest makes, it reserves the right to rectification or reclaim if, at a later point, the calculation proves to be inaccurate or objections are raised, and subject to the requirement that the goods are received correctly. Payments do not constitute acknowledgements of deliveries.

10.7 The payment date is deemed to be the date of performance.

10.8 Südwest does not consent to agreements on interest payable on the due date or default interest that is higher than any interest legally owed.

11 Delivery; transfer of risk; advance, partial, and additional performance

11.1 In general, deliveries and transfer of risk are based on the agreed Incoterms clause in accordance with Incoterms 2020.

11.2 If no Incoterms clause of this kind has been agreed, delivery to the agreed destination will take place DDP within the EU and DAP outside the EU (Incoterms 2020).

11.3 In accordance with Clause 11.1 or 11.2, the risk will not transfer to Südwest until a person authorised by Südwest has acknowledged receipt of the goods.

11.4 Advance, partial, and additional performance is only permitted with prior approval by Südwest in text form and must be noted in the delivery documents and invoices.

12 Shipping, packaging, labelling duties

12.1 The supplier undertakes to specify the shipping address, order number, and article number for Südwest, and any other standard commercial information, on all shipping documents, delivery notes, package addresses, and/or other accompanying documents (such as consignment notes). The supplier shall bear any additional costs and damages arising from culpable failures to fulfil duties.

12.2 The applicable conditions and regulations for the selected form of transport must be observed for shipping purposes and, if Südwest is responsible for bearing the costs, the shipping options that are most favourable for Südwest must be selected, unless Südwest has expressly specified the means of transport. If nothing else has been specified in the individual contract, the supplier is responsible for adequately insuring the goods being delivered for the duration of the transportation at its own expense. The supplier must take out sufficient transport insurance to cover the shipping risk that it bears.

12.3 Südwest must be notified of shipping no later than the point at which the goods have been dispatched.

12.4 If the delivery does not include a delivery note from the supplier, Südwest is entitled to return the goods at the supplier's expense.

12.5 The delivery item must be packaged correctly. The packaging must comply with all technical, statutory, and official regulations, and with Südwest's packaging requirements.

12.6 In the case of deliveries by rail or through shipping companies, Südwest will receive official verification of the weight, or verification that the weighing process complies with the German Weights and Measures Act (Eichgesetz), for deliveries that are subject to calculation by weight.

12.7 The applicable statutory regulations concerning classification, packaging, and labelling duties must be observed when delivering raw, auxiliary, and operating materials; in particular, this means observing the regulations in the Chemicals Act (Chemikaliengesetz) of the Federal Republic of Germany. The supplier must provide compensation for damages incurred by Südwest as a result of culpable breaches of the statutory regulations.

13 Properties of the delivery item, supplier's duty to inspect

13.1 The delivered item must demonstrate the agreed properties, comply precisely with the specifications in the order from Südwest, and reflect the state of the art as it applies at the point of delivery.

13.2 The supplier warrants that its deliveries and services comply with the statutory and official regulations that apply on the date of delivery; in particular, the applicable regulations concerning environmental protection, accident prevention, and occupational health and safety.

13.3 At Südwest's request, the supplier shall undertake to provide a sample, specimen, and/or data sheets.

13.4 The supplier must review technical documents, drawings, or specifications that form part of Südwest's order, make Südwest aware of any discrepancies, and request clarification.

13.5 If Südwest approves technical documents, drawings, or specifications created by the supplier, this does not release the supplier from its responsibility to perform the contract correctly.

14 Investigation and notice of defects

14.1 The statutory regulations apply to the commercial duties to investigate and provide notice of defects, with the following proviso: the duty to investigate is restricted to defects that become apparent during incoming goods inspection through external examination – including inspection of the delivery documents (examples here include damage sustained in transit, incorrect deliveries, or delivery shortfalls) – or defects that are detected when samples are taken during quality control processes. In all other cases, the duty to investigate depends on the extent to which an investigation is feasible in the ordinary course of business, taking into account the circumstances of the individual case. The duty to provide notice of defects identified later on remains unaffected. Regardless of the duty to investigate, the notice of defects from Südwest is considered to have been issued without delay and on time if it is sent within two weeks of the defect being discovered or, in the case of obvious defects, within two weeks of the goods being received.

14.2 If goods are not being delivered to Südwest, but instead – as contractually agreed – directly from the supplier to the end user of the goods or a contractor, intermediary, or distributor commissioned by Südwest, the notice of defects can also be issued on Südwest's behalf by a natural or legal person commissioned by Südwest (this includes companies affiliated with Südwest, end users or contractors handling the goods, intermediaries, and distributors). Clause 14.1 applies *mutatis mutandis*.

14.3 Deliveries involving larger quantities of the same parts, especially smaller supplied parts, will be investigated by Südwest using a statistical sampling method. If the samples indicate defective parts, Südwest is entitled to reject the entire delivery without any further investigation or to carry out further investigation, at its discretion. The supplier shall bear all costs associated with further investigation.

15 Liability for material defects

15.1 Südwest is entitled to assert statutory claims for defects without restriction.

15.2 In all cases, Südwest is entitled to demand that the supplier performs corrective action or delivers a new, defect-free item (subsequent performance), at Südwest's discretion. The supplier shall bear all costs and expenses arising from this, including removal and installation costs, even if the expenses increase in the case of subsequent performance because the purchased item was transported to a location other than the destination after delivery. This applies unless transportation of this kind does not reflect the intended use of the item. The right to damage compensation, particularly damage compensation instead of performance, remains expressly reserved.

15.3 In the event of defective delivery, Südwest is entitled to return the delivery using a shipping company at the supplier's expense. In this case, the supplier shall bear the risk from the point when the delivery is handed over to the shipping company representative, and Südwest is entitled to debit the invoiced amount. In all cases involving defective deliveries, Südwest is entitled to charge a lump-sum fee of 5 % of the gross price of the defective goods. Südwest reserves the right to provide evidence of higher expenses. The supplier remains free to provide evidence that the expenses incurred by Südwest are lower or that it has not incurred any expenses at all.

15.4 Irrespective of the statutory rights and aforementioned provisions the following applies: if the supplier fails to fulfil its duty of subsequent performance by a reasonable deadline set by Südwest, then Südwest may rectify the defect and any resulting damage itself and demand that the supplier provide compensation for the expenses required for this or make an advance payment. A deadline does not need to be set if subsequent performance by the supplier fails or Südwest deems it to be unacceptable (because of particular urgency, a risk to operational safety, or the threat of disproportionate damage, for example); Südwest shall notify the supplier of such circumstances without delay, if possible in advance.

16 Changes to the delivery item

16.1 Deviations from the agreed specifications, and any other technical changes made by the supplier after the contract has been concluded, are excluded unless Südwest has agreed to them in text form.

16.2 The supplier must, under its own responsibility, review the feasibility of suggestions and requests for changes by Südwest, and alert Südwest to any concerns.

16.3 During ongoing business relationships, and when Südwest has checked, tested, and approved a delivery item first, the supplier must notify Südwest unprompted of any product changes in writing or in text form.

16.4 The following applies to cases involving ongoing deliveries or delivery after product release: if the supplier makes any changes to the production conditions in its operations and/or deviations from contractual specifications arise with regard to production, standards to be adhered to, raw materials to be used, the labelling of these materials, and any other product-related properties and specifications, and if raw materials, tools, or machines are replaced and/or new production methods are introduced, the supplier shall also undertake to investigate the delivery item for any deviations and changes, and to notify Südwest of any deviations and changes of this nature in text form.

16.5 If the supplier fails to issue this notification in these cases, the duty to investigate and issue notice of defects does not apply where the change to the delivery item's properties results in a defect.

16.6 Before dispatch, the supplier has a duty to check whether the goods meet the specifications in the order and are free from defects. If this duty to check outgoing goods is breached but the goods are still dispatched, the supplier may not appeal to a breach of the duty to investigate and issue notice of defects.

17 Limitation period

17.1 The limitation period is 36 months and, in the case of building materials, 72 months from the point of transfer of risk.

17.2 In cases involving subsequent performance, the limitation period begins again from the point when the remedial work has been completed or the new item has been delivered, in accordance with Clause 17.1. However, the new limitation period only applies to the remedied or replaced part of the delivery item, assuming that only part of it – even if this is an integral part – has been replaced.

17.3 The limitation period will extend by the time during which the delivery item cannot be used because of a defect or because the defect is being remedied. The period will be suspended from the day on which the supplier is notified of the defect and the suspension will be lifted when Südwest is able to use the delivery item again.

17.4 Any reduction in the warranty periods set by these GTCP is expressly rejected. In all cases, the statutory periods apply as a minimum, unless any longer periods have been agreed above.

18 Scope of liability

18.1 Südwest does not consent to any restrictions of the supplier's contractual or extra-contractual liability, whether this concerns the scale of culpability, the scope of liability, or the liability amount.

19 Product liability, indemnity

19.1 The supplier must notify Südwest of risks arising from its product even in the event that it is not used as intended.

19.2 If the supplier is responsible for product damage and, in addition to Südwest, is itself liable in relation to third parties, it shall undertake to indemnify Südwest against damage compensation claims by third parties on first demand to the extent that the cause is within the supplier's scope of control and organisation.

19.3 If Südwest wishes to raise a claim against the supplier in accordance with Clause 19.2 above, Südwest shall inform and consult the supplier without delay and in full. Südwest shall grant the supplier the opportunity to

investigate the case of damage and shall agree on the measures to be taken with the supplier, particularly where settlement negotiations are involved.

19.4 Within the scope of its liability for cases of damage according to Clause 19.2, the supplier shall also undertake to reimburse any expenses based on the principles of negotiorum gestio (non-mandated acts of management) or in the context of tortious joint and several liability arising from or in connection with a recall action carried out by Südwest. Where possible and reasonable, Südwest shall notify the supplier of the content and scope of any recall actions to be carried out and shall give the supplier the opportunity to comment. Any other legal claims remain unaffected.

20 Insurances

20.1 The supplier undertakes to maintain business liability and product liability insurance with coverage of at least EUR 5 million per case of damage (personal injury and/or property damage) until the relevant limitation period for defects comes to an end. If Südwest is entitled to any other claims for damage compensation, these will remain unaffected.

20.2 Evidence of this insurance must be provided at Südwest's request.

21 Rights of retention; set-off; assignment

21.1 Südwest is entitled to the statutory rights of set-off and retention without restriction.

21.2 The assignment of claims against Südwest will only have legal effect with the prior approval of Südwest in text form.

22 Intellectual property rights

22.1 The supplier warrants that no third-party rights, especially patent rights or other intellectual property rights, are infringed in connection with its delivery.

22.2 If a third party asserts a claim against Südwest because of a rights infringement of this kind, the supplier is obligated to indemnify Südwest against such claims upon first written demand in accordance with Clause 22.3 to 22.7.

22.3 If damage compensation claims are asserted by a third party, the supplier reserves the right to provide evidence that it is not responsible for the infringement of the third party's rights. Südwest is not entitled to make any agreements with the third party without the supplier's consent; in particular, it is not entitled to conclude a settlement.

22.4 The supplier's duty to indemnify applies to all expenses that Südwest necessarily incurs as a result of or in connection with the claim asserted by the third party, unless the supplier provides evidence that it is not responsible for the breach of duty on which the infringement of the intellectual property rights is based.

22.5 The right to assert further rights remains reserved.

22.6 Südwest does not consent to any restrictions of statutory rights to which Südwest is entitled in the event of a defect of title.

22.7 The limitation period for these claims is three years starting from the point of transfer of risk, unless the five-year warranty period for building products applies.

23 Manufacture/creation of movable items

If the supplier has to manufacture or create and deliver a movable item for Südwest, the following provisions also apply:

23.1 The supplier undertakes to manufacture/create and to deliver or make available to Südwest the movable item to be manufactured or created exclusively in accordance with the description and specifications set out in

the individual contract and in accordance with the instructions provided by Südwest in text form. Before processing begins, the supplier must confirm in text form on Südwest's request that it has taken note of the full details of the description and specification.

23.2 If uncertainties emerge when the description, specification, and instructions are reviewed in accordance with Clause 23.1, or if the supplier has concerns about the intended type of execution, the quality of the materials or building elements provided by Südwest, or the services provided by another company commissioned by Südwest, the supplier is obligated to inform Südwest of this in text form and work towards clarification by mutual agreement with Südwest. Südwest shall prepare a record of this clarification, which must be signed by both contractual parties. The same applies if the uncertainties or concerns do not arise until the order has begun to be executed. The supplier must interrupt the manufacturing/creation process until the uncertainties or concerns have been fully resolved.

23.3 It is incumbent upon the supplier to refrain from starting the manufacturing/creation process until the full details of the description, specification, and instructions from Südwest have been clarified. The supplier may demand that Südwest declares, in text form, its approval – including partial approval, if applicable – for the manufacturing/creation process to begin. The supplier shall bear any costs that it incurs in cases where uncertainties have not been clarified as required.

23.4 If Südwest considers technical modifications to the delivery item to be relevant or necessary after the contract has been concluded, Südwest shall inform the supplier of this without delay. In this case, the two parties must agree on any resulting modifications to the content of the contract and the performance of the contract.

23.5 If the subject matter of the contract is subsequently changed or extended, the supplier is entitled to demand an adjustment to the price reflecting the additional costs incurred as a result of the change, provided that the supplier has notified Südwest of these costs as an offer to change the contract in advance of changing or extending the subject matter of the contract. The supplier will only have a claim for the increased price if the offer to change the contract is expressly accepted by Südwest; in this case, Südwest is obligated to accept the offer if the supplier can provide evidence that the additional costs it has communicated are caused by the subject matter of the contract being subsequently changed.

23.6 If the supplier is obligated to manufacture/create a non-fungible movable item, the following provisions also apply:

23.7 If Südwest has to provide services that are required for manufacturing/producing the movable item, Südwest shall provide them in accordance with the description, specification, and deadlines set out in the individual contract. If Südwest is unable to provide these services as agreed, the supplier may demand that Südwest provides adequate compensation, the calculation of which is specified in the individual contract or is fixed as a flat-rate amount. The supplier must offset against this compensation anything it is able to save in expenses as a result of a default by Südwest or anything it is able to acquire by using its labour resources elsewhere. The supplier is obligated to disclose this to Südwest. The supplier may fulfil this disclosure duty by allowing Südwest to inspect the business records through an expert who is obligated to maintain professional confidentiality. In such cases, the supplier's right of termination is excluded unless the supplier cannot reasonably be expected to continue to adhere to the individual contract in spite of the compensation stipulated here.

23.8 If it is incumbent on the supplier to obtain the materials for manufacturing/creation, it must do so at its own expense and its own risk. The materials used by the supplier must comply with the description and specification of the goods set out in the individual contract. If the supplier wants to use material that is equivalent but different, it may only do so contractually if Südwest has given its prior consent to this in text form.

23.9 If Südwest has stipulated specific sources for procuring the materials, only the use of materials from these sources will be considered contractual. In such cases, and if there is a legitimate interest on the part of Südwest, the supplier shall, at Südwest's request, provide Südwest with evidence of its supplier and the material's place of origin.

23.10 Until the movable item is manufactured/created, Südwest is entitled to terminate the individual contract at any time without giving a reason. If Südwest terminates the individual contract, the supplier is entitled to demand proportionate remuneration for any partial performance that has already taken place according to the contract and for any preparation work that has taken place for future partial performance.

24 Retention of title, property rights

24.1 The supplier is entitled to deliver the goods subject to ordinary retention of title until the goods are paid for. Südwest does not consent to any further retention of title provisions, particularly what is known as expanded or extended retention of title or group retention of title.

24.2 The parties hereby agree that, if Südwest's property is processed or combined with items that are not Südwest's property, Südwest is entitled to a co-ownership share in the new item that is created, as a proportion of the value of Südwest's property to the value of the other goods and items that are processed.

24.3 The same applies if items and goods are delivered by third parties directly to the supplier for processing on behalf of Südwest and on Südwest's account.

24.4 Production costs, overhead costs, and other imputed costs will not be considered when Südwest's co-ownership share is determined.

24.5 It is hereby agreed that the supplier will store these items for Südwest free of charge.

25 Documents of Südwest, non-disclosure

25.1 The documents that Südwest surrenders to the supplier for the purposes of manufacturing the delivery item, and the information they contain, remain the property of Südwest. Südwest retains all copyright.

25.2 Without the express prior consent of Südwest, these documents and the information they contain must not be used for purposes other than manufacturing the deliver item, nor must they be duplicated or made available to third parties; the latter applies if and to the extent that the documents and information are not demonstrably public knowledge.

25.3 Once delivery has been carried out, or at Südwest's request, the documents must be immediately returned to Südwest in full, including any copies.

25.4 The same applies to drawings and documents that the supplier creates for Südwest in accordance with Südwest's specifications; however, the contractual parties hereby agree that ownership of these documents will transfer to Südwest and the supplier will store the documents for Südwest.

25.5 The supplier is liable for all damage that arises for Südwest as a result of a breach of any of the aforementioned duties, unless it has not caused the breach.

25.6 If the supplier makes goods, tools, or documents available to third parties (e.g. subcontractors) with the consent of Südwest, the aforementioned duties must also be imposed on these third parties.

26 Final provisions

26.1 The law of the Federal Republic of Germany applies exclusively. The application of the United Nations Convention on Contracts for the International Sale of Goods (CISG) is excluded.

26.2 The destination specified in the order (shipping address) is the place of performance for all services provided by the supplier. The place of performance for payments by Südwest is Böhl-Iggelheim.

26.3 If the supplier is a merchant within the meaning of the German Commercial Code (Handelsgesetzbuch), a legal person under public law, or a special fund under public law, or if the supplier or the branch of the supplier concluding the contract has its registered office outside the Federal Republic of Germany, the place of jurisdiction for all rights and duties of the contractual parties arising from business transactions of any kind is Südwest's registered office. The same applies if the supplier relocates its domicile or habitual residence outside of Germany after the conclusion of the contract, or if its domicile or habitual residence is unknown at the time when the action is brought. Südwest is, however, also entitled to take action against the supplier at the latter's general place of jurisdiction.